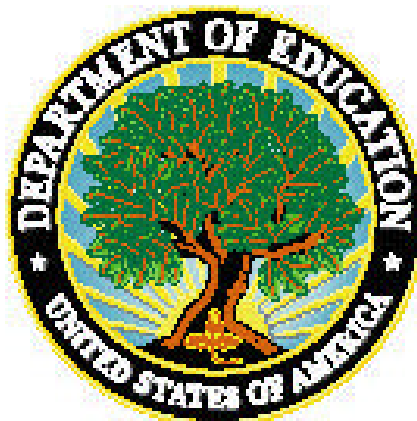


# **SFA Modernization Partner Project LEGACY CONTRACT TRANSITION PLAN**

Federal Family Education Loans (FFEL)



## **Part 3a Recommendation and Timetable For Transition Plan for FFEL**

## **Source Selection Information – See FAR 3.104**

### **Recommendation:**

The U.S. Department of Education (ED) should seek to a sole source, 12 month extension, through September 30 2001, (with 2 additional six month option periods) of Raytheon's current contract to meet the requirements for maintenance, operations, technical support, systems, software, and documentation support for the Federal Family Education Loan System (FFEL). The FFEL System is at the center of a larger system designed to deliver billions of dollars of Federal financial assistance to students pursuing a post-secondary education.

The proposed extension is a follow-on contract for continued technical assistance and software support for FFEL. A new solicitation and the award of a new contract for FFEL services at this time would result in substantial disruption in the services provided under FFEL. A disruption in services would have a nation-wide impact, resulting in the failure to adequately service over 7 million students receiving approximately \$50 billion in student aid. Student Financial Assistance (SFA) is developing a modernization plan that will affect all systems in SFA, including the FFEL system. SFA recently awarded a contract to Andersen Consulting to serve as a Modernization Partner to assist in the final development and implementation of the modernization plan. Andersen Consulting has identified 23 major initiatives to be included in the implementation of the modernization plan which will result in major changes to all of the existing (legacy) systems within SFA.

The initiatives which will have a significant impact on the FFEL includes:

1. Common Aid Origination and Funds Disbursement - Create a common business process and system for aid origination and disbursement for Pell grants, campus-based, and direct loans. Provide the ability to originate and disburse all types of financial aid through a single delivery system.

The timetable for this initiative is as follows:

Requirements Analysis and Design is planned for January 2000 through June 2000. Management Decision Required to Continue is schedule for June 30, 2000. Development and Implementation of the system is scheduled for July 2000 through June 2002.

Affects on FFEL - Since FFEL operates a Customer Service Center it will be effected by the implementation of this initiative.

2. Financial Partners Process Reengineering - Design and implement improvements to the core business processes within the Financial Partners channel. The core processes that will be reviewed include GA/Lender Payment; oversight and technical assistance; policy and analysis; and contract management.

The timetable for this initiative is as follows:

## **Source Selection Information – See FAR 3.104**

## Source Selection Information – See FAR 3.104

Requirements Analysis and Design is planned for March 2000 through July 2000. Management Decision Required to Continue is schedule for July 31, 2000. Development and Implementation of the system is scheduled for August 2000 through January 2001.

Effects on FFEL – Since FFEL provides a major interface between borrowers, schools, lenders, guaranty agencies, collection agencies, other Government agencies, and private sector entities with SFA programs, the implementation of this initiative will have a major impact on FFEL

3. External Partners Process Reengineering - Design and implement innovative solutions to the business processes that impact financial partners (Gas, lenders, state agencies, etc.). This initiative's projects include: Enhanced Partner Relationship Management, Voluntary Flexible Agreements, Regulatory Process Improvements, Default Reduction Incentives, and Enhanced Monitoring of Financial Partners.

The timetable for this initiative is as follows:

<u>Project</u>	<u>Analysis &amp; Design</u>	<u>Decision Date</u>	<u>Develop. &amp; Implem.</u>
Enhanced Partner Relationship Mgmt	May - Sep 00	Sep 31, 00	Oct 00 - May 01
Voluntary Flexible Agreements	Jan - Sep 00	Sep 31, 00	Oct 00 - Aug 01
Regulatory Process Improvements	Apr - Jul 00	Jul 31, 00	Aug 00 - Jan 01
Default Reduction Incentives.	Apr - Sep 00	Sep 31, 00	Oct 00 - Apr 01
Enhanced Monitoring	Mar - Aug 00	Aug 31, 00	Sep 00 - Jul 01

Affects on FFEL – Since FFEL provides a major interface between borrowers, schools, lenders, guaranty agencies, collection agencies, other Government agencies, and private sector entities with SFA programs, the implementation of this initiative will have a major impact on FFEL

4. Enabling Technology for Financial Partners - Analyze, design, and implement a new technical environment for the Financial Partners channel that will be in compliance with SFA's enterprise-wide architecture. This initiative's projects include: Web Portals for Financial Partners, Common Third Party Interfacing (Integration Application Services), Document/Workflow Management, and Data Warehouse for Financial Partners.

## Source Selection Information – See FAR 3.104

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The timetable for this initiative is as follows:

<u><b>Project</b></u>	<u><b>Analysis &amp; Design</b></u>	<u><b>Decision Date</b></u>	<u><b>Develop. &amp; Implem.</b></u>
Web Portals	Jan - Mar 00	Mar 31, 01	Apr - Jun 01
Common Third Party	Jun - Aug 00	Aug 31, 00	Sep 00 - Feb 01
Doc/Workflow Management	Mar - Jul 00	Jul 31, 00	Jun - Jun 01
Data Warehouse	Apr - Jul 00	Jul 31, 00	Aug 00 - Mar 01

Effects on FFEL – Since FFEL provides a major interface between lenders, schools, lenders, Guarantee Agencies, other Government Agencies and Private Sector entities with FSA programs, the implementation of this initiative will have a major impact on FFEL.

- Enhanced Service Delivery for Financial Partners - Various projects to improve the exchange of information with financial partners. They include expanding FAFSA to trading partners' web sites and Others, piloting Electronic Certification (NY Mentor PIN), and E-Commerce Data Exchange (Forms2000)

The timetable for this initiative is as follows:

<u><b>Project</b></u>	<u><b>Analysis &amp; Design</b></u>	<u><b>Decision Date</b></u>	<u><b>Develop. &amp; Implem.</b></u>
Expand FSAS	Apr - Jun 00	Jun 30, 00	Oct - Dec 00
Pilot Electronic Certification	May - Jul 00	Jul 31, 00	Apr - Aug 01
E-Commerce (Forms2000)	NA	NA	Mar - Sep 00

Affects on FFEL – Since FFEL provides a major interface between borrowers, schools, lenders, guaranty agencies, collection agencies, other Government agencies, and private sector entities with SFA programs, the implementation of this initiative will have a major impact on FFEL

- Cross Channel Enabling Technology/Infrastructure - Advanced Call Center Relationship Management - This initiative is designed to improve customer satisfaction by proactively seeking customers' input, and "reaching out" to train and assist them with all SFA-related concerns. This initiative includes the consolidation of multiple call center capabilities to provide "one-call-does-it-all" functionality for customers.

The timetable for this initiative is as follows:

Requirements Analysis and Design is planned for February 2000 through May 2000. Management Decision Required to Continue is scheduled for May 31, 2000. Development and Implementation of the system is scheduled for June 2000 through June 2001.

Affects on FFEL - Since FFEL operates a Customer Service Call Center it will be effected by the implementation of this initiative.

## Source Selection Information – See FAR 3.104

## **Source Selection Information – See FAR 3.104**

7. Cross Channel Enabling Technology/Infrastructure - Web Portals - Design and implement capabilities, for all customers, to enable easier and more efficient data transfer through internet and/or other online interfaces.

The timetable for this initiative is as follows:

Requirements Analysis and Design is planned for February 2000 through May 2000. Management Decision Required to Continue is schedule for May 31, 2000. Development and Implementation of the system is scheduled for June 2000 through April 2001.

Affects on FFEL – The Web Portals for Customers project will provide the web-enabled, customized view of FSA customer functions. This project will provide SFA's customers with a capability to create their own personal view into the information contained and supported by SFA, such a loan consolidation, school payments and loan origination. Data contained in FFEL is one of the sources of information that will be presented via the Internet Portal. Currently FFEL provides a number of services on the net.

8. Cross Channel Enabling Technology/Infrastructure - Single Identifier (PIN) - Design a uniform single identifying data element for each customer entity for each customer entity in SFA's system including students, schools and financial partners. Includes the use of PIN logic as a form of identification.

The timetable for this initiative is as follows:

Requirements Analysis and Design is planned for September 2000 through January 2001. Management Decision Required to Continue is schedule for January 31, 2000. Development and Implementation of the system is scheduled for February 2001 through September 2001.

Affects on FFEL - The Single Identifier for Each Entity initiative will effect Enterprise Architecture for Integration and Data Warehousing. Since FFEL is accessible via the web by the customers of SFA, it will surely be effected by this initiative.

9. Financial Management Transformation - Financial Management System (FMS) Phase II (Pilots) - Phase II of the SFA FMS modernization effort is planning to implement three SFA business areas by installing and configuring the Oracle Federal Financials as the basis for SFA FMS. The purpose of Phase II is to prove the General Ledger setup of books and accounts and the account code classification structure in a quick timeframe. This will allow the SFA FMS design to be verified. Phase II of the SFA FMS is defined by three "pilots": (1) Federal Family Education Loan Program (FFELP) Guaranteed Loan - Guaranty Agency (GA) Payments, (2) leveraging the Educational Assistance Partnership Programs (LEAPP), and (3) SFA Operations - Fixed Assets.

## **Source Selection Information – See FAR 3.104**

**Source Selection Information – See FAR 3.104**

The timetable for this initiative is as follows:

Requirements Analysis and Design is planned for April 2000 with a Management Decision Required to Continue scheduled for April 30, 2000. Development and Implementation of the system is scheduled for May 2000 through September 2000.

Affects on FFEL - Since FFEL is a major interface with the lenders, GA's, Collection Agencies, as well as other Federal Agencies; this initiative will have a major impact on FFEL.

See timeline attached.